

4972-K

42A740-S21

Department of Revenue

# Kentucky Tax on Lump-Sum Distributions

(From Qualified Plans of Participants Born Before January 2, 1936)

► Attach to Form 740, Form 740-NP or Form 741. ► See federal instructions.

2004

Enter name of recipient of distribution.

Social Security or  
federal identification number**PART I—Qualifications—An individual who qualifies to file federal Form 4972 qualifies to file Form 4972-K.**

1. Are you filing federal Form 4972? .....  Yes  No  
 If "yes," you are qualified to file Form 4972-K. If "no," do not complete the rest of this form. See instructions for Schedule M, line 10 (Form 740-NP, page 2, line 42(b)).

**PART II—Excludable Lump-Sum Income—Complete this part after you have completed Schedule P.**

- |  |   |  |
|--|---|--|
| 2. Enter the amount from Schedule P, line 3 .....  | 2 |  |
| 3. Subtract line 2 from \$40,200 .....   | 3 |  |
| 4. Enter the amount from line 8(a) plus line 9 .....   | 4 |  |
| 5. Enter the lesser of line 3 or line 4 .....  | 5 |  |
| 6. Amount of line 5 to be applied to capital gain distributions. Enter here and on line 8(b) .....                                   | 6 |  |
| 7. Amount of line 5 to be applied to regular lump-sum distributions. Subtract line 6 from line 5.<br>Enter here and on line 12 ..... | 7 |  |

**PART III—Complete this part only if you chose the 20% federal capital gain election.**

- |   |      |  |
|---|------|--|
| 8. (a) Capital gain part from Box 3, Form 1099-R .....  | 8(a) |  |
| (b) Enter the exclusion from line 6 .....   | 8(b) |  |
| (c) Subtract line 8(b) from line 8(a). Enter here and include on Schedule M, line 6<br>(Form 740-NP, page 2, line 45, Column B or Form 741, Schedule M, line 3) ..... | 8(c) |  |

**PART IV—Complete this part to choose the 10-year option.**

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|---|----|--|
| 9. Ordinary income from Form 1099-R, Box 2a minus Box 3. If you did not complete Part III, enter the amount from Box 2a of Form 1099-R (taxable amount) (see federal instructions) .....  | 9  |  |
| 10. Death benefit exclusion for a beneficiary of a plan participant who died before August 21, 1996 .....   | 10 |  |
| 11. Subtract line 10 from line 9 (total federal taxable amount) .....   | 11 |  |
| 12. Enter the exclusion from line 7 .....   | 12 |  |
| 13. Subtract line 12 from line 11 (total Kentucky taxable amount) .....   | 13 |  |
| 14. Current actuarial value of annuity, if applicable (from Form 1099-R, Box 8) .....   | 14 |  |
| 15. Add lines 13 and 14 (adjusted total taxable amount). If this amount is \$70,000 or more, skip lines 16 through 19, and enter this amount on line 20 .....   | 15 |  |
| 16. Multiply line 15 by 50% (.50), but do not enter more than \$10,000 .....  | 16 |  |
| 17. Subtract \$20,000 from line 15. Enter difference. If line 15 is \$20,000 or less, enter zero .....  | 17 |  |
| 18. Multiply line 17 by 20% (.20) .....   | 18 |  |
| 19. Subtract line 18 from line 16 (minimum distribution allowance) .....  | 19 |  |
| 20. Subtract line 19 from line 15 .....   | 20 |  |
| 21. Federal estate tax attributable to lump-sum distribution. Do not deduct on Form 740, Form 740-NP or Form 741 the amount attributable to the ordinary income entered on line 9 (see federal instructions) .....  | 21 |  |
| 22. Subtract line 21 from line 20 .....   | 22 |  |
| <i>If line 14 is blank, skip lines 23 through 25 and go to line 26.</i>   |    |  |
| 23. Divide line 14 by line 15 and enter the result as a decimal (round to four places) .....  | 23 |  |
| 24. Multiply line 19 by the decimal amount on line 23 .....   | 24 |  |
| 25. Subtract line 24 from line 14 .....   | 25 |  |
| 26. Multiply line 22 by 10% (.10) .....   | 26 |  |
| 27. Tax on amount on line 26. Use the tax rate schedule in the instructions .....   | 27 |  |
| 28. Multiply line 27 by 10. If no entry on line 14, skip lines 29 through 31, and enter this amount on line 32 .....  | 28 |  |
| 29. Multiply line 25 by 10% (.10) .....   | 29 |  |
| 30. Tax on amount on line 29. Use the tax rate schedule in the instructions .....   | 30 |  |
| 31. Multiply line 30 by 10 .....  | 31 |  |
| 32. <b>Tax on lump-sum distribution.</b> Subtract line 31 from line 28. Enter here and on Schedule TC, line 3 or Form 741, line 17(b). Form 740-NP, include tax in the amount on Form 740-NP, line 10.<br>(multiple recipients, see federal instructions) ..... | 32 |  |